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DAIRY PRODUCTS: Milk production, now past the seasonal low point, is likely to be a little below the record levels of early 1954 during the first months of 1955. Purchases of dairy products for price support in recent weeks have been the smallest in nearly 2 years.

POULTRY AND EGGS: Broiler marketings next month are likely to be the lowest in about a year. October chick placements in areas which account for about 2/3 of the nation's broilers were down 6% from a year earlier. Broilers from these chicks will be sold in January. Total number of broilers produced in 1954 topped the billion mark for the first time in history and prices were relatively low most of the year.

Egg production in November was 6% above a year earlier. Output will rise seasonally the next few months. Prices for most grades of large eggs declined from mid-October to early December while medium eggs rose.

OILSEEDS: Prices for soybeans in December were moderately below a year earlier. This year's crop was a record. With the sharp reductions in cottonseed and peanut production this year, prices for both products are well above support. Flaxseed production, on the other hand, is well above expected commercial use and prices are around the support level.

FEEDS: Corn prices have risen since mid-November and a seasonal increase is likely this winter and spring. Oat prices in November were above support for the first time since March 1953 but barley and sorghum prices stayed below support. Prices of high protein feeds in early December were running a little above a year ago.

WHEAT: Cash wheat prices are at about the highest levels of the season to date. Although the wheat supply is a record, much of it is held under the price support program.

Most of the recent price increases have been in the better quality wheat, prices of which are now close to the support level. Prices of lower quality wheat are still below support but are likely to rise in the next few months since supplies not under the price support program are too small to meet anticipated requirements.

VEGETABLES: Potato supplies during the first quarter of 1955 are expected to be smaller than a year earlier. The late crop of 1954, which will provide the bulk of the supply, is down some from last year, and the winter crop is expected to be 5% below that of 1954. Potato prices are well-above a year earlier.

COTTON: Production prospects have increased this fall and on December 1 the crop was estimated at 13.6 million 500-pound bales. Although this is 18 percent below last year and the smallest crop since 1950, it is 9 percent above the 1943-52 average.

WOOL: The world supply is a little larger this season than last and demand has slackened. Prices at British Dominion auctions and at Boston are generally lower than a year earlier.

TOBACCO: Prices at burley auctions through December 13 averaged 51.3 cents per pound compared with 54.5 cents a year earlier. Prices in the flue-cured auctions--now about completed--averaged 52.1 cents per pound, a little less than in 1953.

Prospects point to some improvement in prices received by farmers in the early months of 1955.

With the 1954 harvest largely completed, marketings will taper off in next few months, and prices of some crops probably will rise. Prices also will be strengthened by the movement of large quantities of many products under the support program.

Prices received by farmers for all products in mid-November averaged 2 percent below a year earlier. Of the major groups of commodities, only poultry and eggs and dairy products were below a year earlier--the former down 29%, the latter down 8%. Both groups of products were produced in record quantities this year. Meat animal prices averaged the same as in November, 1953 with hogs lower and cattle higher. Wool was down slightly.

Crop prices, on the average, were 4 percent above a year earlier. Tobacco, feed grains and hay, food grains, cotton and oil-bearing crops were up 1 to 5%. Commercial vegetables rose 9% and the average for potatoes, sweetpotatoes and dry beans increased 14%. Fruit prices averaged the same.

Farmers received about \$27.2 billion from sales of farm products the first 11 months of this year, 4% less than in the same period last year. Receipts from livestock and products, at \$15.3 billion, were down 3%. Farmers got less for eggs, chickens, dairy products but a little more from cattle and hogs. Crop receipts totaled \$11.9 billion, down 6 percent from January-November, 1953. Receipts from cotton, wheat and truck crops were down substantially.

Farmers have had no relief from high costs so far this year. The parity index, which measures prices farmer pay, interest, taxes and wage rates, was slightly higher in mid-November than a year earlier. Prices for both family living items and production items were up a little. Interest and taxes also were higher but wage rates have come down some.

ECONOMIC ACTIVITY: Consumer income is running slightly above last year and at a record rate as business activity continues to rise. Industrial production is gaining and employment rose a little the last 2 months. New orders received by manufacturers have increased and the construction activity continues above a year ago.

Consumers spent moderately more at food stores in October and November than in the same months last year. Although exports since July 1 have been running a little below a year earlier, some pick-up is expected. A strong foreign demand and the new export programs will be important factors.

PRODUCTION CONTROLS: Special production controls on some crops for 1955 were removed by the Secretary of Agriculture on December 13. These included: 1. removal of cross-compliance requirements among individual acreage allotments; 2. limitations on use of acres diverted from allotment crops for production of commercial vegetables and potatoes.

LIVESTOCK: Cattle slaughter this winter may fall a little below last winter. The number on feed is as high or higher than last year, pointing to large supplies of finished cattle. But marketings of cattle off grass probably will be down. Seasonal price increases for feeder cattle, declines for finished cattle are likely later in the season. Consequently, the spread between prices of upper and lower grades, now wide, probably will narrow.

Farmers probably will sell a smaller proportion of the spring pig crop by the year's end than in either 1952 or 1953. Marketing of these hogs in early 1955 will hold down the seasonal rise in prices.